

August 23, 2010

Federal Communications Commission Federal-State Joint Board on Universal Service 445 Twelfth Street, SW Washington DC 20554

Re: Federal-State Joint Board on Universal Service, CC Docket No. 96-45

Lifeline and Link-Up, WC Docket No. 03-109

Dear Members of the Federal-State Joint Board and FCC Commissioners:

In response to the Joint Board and the Commission's recent request for public comment,<sup>1</sup> the undersigned members of The Leadership Conference on Civil and Human Rights write to offer our suggestions to improve the access of low-income, minority, and other unserved and underserved communities to essential telecommunications services, including high-speed Internet and broadband.

We suggest that the Joint Board and the Commission:

- Move quickly to expand Lifeline and Linkup to support broadband services that can support voice as well as other applications;
- Maximize the impact of the program by expanding eligibility; and improving participation rates by enhancing outreach and administration;
- Allow low-income consumers maximum flexibility to meet their needs while ensuring companies do not receive compensation for substandard services;
- Develop electronic management tools that are a role model for "best in class" efforts to reach low-income populations online.

The Joint Board should push the Commission to move quickly to expand Lifeline and Linkup to support broadband services. We strongly support the eventual expansion of the Commission's program to support low-income access to telephone service, Lifeline and Linkup, to broadband. Broadband services provided under Lifeline and Linkup should be

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<sup>&</sup>lt;sup>1</sup> Federal-State Joint Board on Universal Service Seeks Comment on Lifeline and Link Up Eligibility, Verification, and Outreach Issues Referred to Joint Board, Public Notice, CC Dkt. No. 96-45, WC Dkt. No. 03-109 (rel. June 15, 2010) ("Public Notice").



able to support high-quality voice as well as other applications. As the Commission found in its National Broadband Plan:

Broadband is a platform for social and economic opportunity. It can lower geographic barriers and help minimize socioeconomic disparities—connecting people from otherwise disconnected communities to job opportunities, avenues for educational advancement, and channels for communication. Broadband is a particularly important platform for historically disadvantaged communities including racial and ethnic minorities, people with disabilities, and recent immigrants.<sup>2</sup>

We note that the Commission's National Broadband Plan (NBP) stated that the Commission should develop Lifeline pilot projects to experiment with the best means to expand Lifeline support to broadband services. We encourage the Joint Board and the Commission to take immediate steps to start these pilot projects and to invite participants from a wide range of organizations and experts—beyond those who have traditionally been involved in the universal service program.<sup>3</sup> We hope that the length of these pilot projects will not unduly delay the expansion of Lifeline to broadband services, and do not believe the projects must be completed before broadband is supported.

The Joint Board should recommend policies that will maximize the impact of the program by expanding eligibility, and improving participation rates by enhancing outreach and administration. As the Joint Board and the Commission work to improve the Lifeline and Linkup program, we suggest that the program be improved now so that its eventual expansion to broadband support will be based on the strongest possible program. Lifeline and Linkup currently suffer extremely low participation rates. According to a recent analysis of the Universal Service Administrator, 25.7 million households qualified for Lifeline support, but only approximately 8.2 million households were enrolled, resulting in an abysmally low participation rate of approximately 32 percent. We make several recommendations to improve this outcome.

Mandate Automatic Enrollment—We suggest that the Joint Board recommend
mandatory automatic enrollment programs so that individuals who apply for
benefits with one agency can automatically be enrolled for benefits through Lifeline
and Linkup.<sup>4</sup> These programs need not be expensive, and can build on
collaborations among state and federal benefits programs that already exist. These
efforts should particularly take all measures to assist the availability of Lifeline and
Linkup to low-income housing, such as multiple occupant dwellings subsidized with
government funds.

<sup>&</sup>lt;sup>2</sup> FEDERAL COMMUNICATIONS COMMISSION, CONNECTING AMERICA: THE NATIONAL BROADBAND PLAN at 169 (rel. Mar. 16, 2010) (*National Broadband Plan*).

<sup>&</sup>lt;sup>3</sup> The FCC held one such workshop, but few of the participants were from social service experts with experience in bringing benefits to low income individuals. See WCB Announces Roundtable Discussion to Explore Broadband Pilot Programs for Low-Income Consumers, DA 10-1041 (June 8, 2010).

<sup>&</sup>lt;sup>4</sup> See *Public Notice* at para. 19.



- Allow Group Home Eligibility—Domestic violence shelters and homeless shelters should be allowed to utilize Lifeline and Linkup, even though they share a single mailing address. This situation is similar to the one that members of The Leadership Conference experienced with the DTV transition, during which people living in group homes, nursing homes, and other such settings all too frequently were denied coupons because of their shared address.
- Mandate Third-Party Administrators—Third-party administrators, particularly those with expertise on outreach to low-income populations and diverse communities, can improve participation. Additionally, they provide a single point of contact that enables beneficiaries to change companies easily without losing their benefits, thus promoting competition and choice. There is already an established network of community anchor institutions and national nonprofits that possess this expertise, including expertise in creating and disseminating culturally relevant content to underscore the value proposition of broadband. These institutions are staffed by and made up of membership that reflects the makeup of the communities that they target. This ensures that the outreach that they engage in is effective and efficient. We strongly support programs that partner with such social service and community organizations who have trust, credibility, and expertise in creating culturally specific niche content among the target populations.
- Increase Income Eligibility—In light of the growing dissatisfaction among many social service agencies with the use of federal poverty standards, and due to the significant downturn in the economy, we endorse existing proposals recommending an increase in the income eligibility criteria for Lifeline to 150 percent of poverty. Such a change will bring consistency and will benefit a particularly vulnerable group of consumers who may fall through the cracks, without imposing a significant economic burden since so many programs that indicate Lifeline eligibility already accept at least 150 percent of poverty.<sup>6</sup>

The Joint Board should recommend that the Commission allow low-income consumers maximum flexibility to meet their needs while ensuring companies do not receive compensation for substandard services. The Joint Board should adopt the NBP recommendation to permit Lifeline customers to apply Lifeline discounts to any service or package that includes basic voice service, making it more portable, including bundles with offerings such as Internet access. For example, the Commission could adopt a voucher program, which could provide Lifeline and Linkup beneficiaries with more power to shop for a wide variety of services.

<sup>&</sup>lt;sup>5</sup> If the Commission continues with only carrier-based outreach, we suggest specific benchmarks for outreach and publicity such as making notifications to new subscribers mandatory, making information available on an easily identifiable location on a provider's home page, and transmitting information to people who are at risk of service termination due to non-payment. We also support mandatory reporting and audits on outreach to ensure it is being performed.

<sup>&</sup>lt;sup>6</sup> National Consumer Law Center and TURN Comments at 9-10 (citing comparably high eligibility rates for SNAP, TANF, Section 8 Housing, and LIHEAP).

<sup>&</sup>lt;sup>7</sup> Federal Communications Commission, National Broadband Plan, Recommendation 9.3 at 172.



The Joint Board should look at ways that universal service support funds might be a component of programs designed to support digital literacy, rather than a free-standing program. While the research is not definitive, current findings seem to show that people who are not online require multiple types of assistance to get online, such as education, cost support, and literacy skills.<sup>8</sup>

We support mechanisms that would make Lifeline support more supportive of the mobile technology that is needed and desired by low-income individuals. However, we strongly encourage the Commission to proceed cautiously to ensure companies that offer service to low-income Americans do not receive government support for substandard services.<sup>9</sup>

The Joint Board should insist that the Commission develop electronic management tools that are a role model for "best in class" efforts to reach lower income Americans online. The FCC's Broadband Plan contained many recommendations addressing how many federal and state agencies can better utilize broadband technology. The FCC has an opportunity in the Lifeline program to offer a sterling example of the best ways to utilize broadband technology to serve low-income populations. Much work in this area remains to be done, including overcoming the privacy concerns that exists in underserved communities. There is no better place to demonstrate the best use of technology than in the program designed to help individuals gain access to that technology.

The Leadership Conference on Civil and Human Rights recently co-hosted a discussion panel focused on the use of broadband to provide benefits to low-income communities. The panel discussion revealed many important challenges in this area. Many states are currently moving to providing a wide range of benefits on line, from food stamps to housing assistance. However, these programs currently adhere to no set of best practices or benchmarks about the best way to offer services to low-income people online. For example:

- Some states require individuals to apply for unemployment benefits online, but do not
  have mechanisms in place to determine whether individuals can access the Internet in
  order to do so.
- Some states do not track how many individuals sign up for benefits online versus how many apply on paper.
- Other states do not take advantage of the many benefits that could redound to support recipients in an electronic system, such as the option to submit documents online or to track the status and timing of their benefits.

<sup>&</sup>lt;sup>8</sup> Dharma Daily, et al., Social Science Research Council, *Broadband Adoption in Low Income Communities* (March 2010) at 25-36.

<sup>&</sup>lt;sup>9</sup> For example, some services offer a very low number of minutes per month and then charge rates as high as 20 cents per minute after the monthly minimums are exhausted. Such a program could wind up gouging, rather than helping, low-income consumers.

<sup>&</sup>lt;sup>10</sup> See, e.g., National Broadband Plan at Chapter 14.



- Some systems have no means to check whether the computer code implementing eligibility determinations are correctly applying the rules or laws to the particular applicants.
- Other electronic systems require an applicant to submit information—such as a Social Security number—which is voluntary under the law, thereby turning the law on its head and reducing participation by some communities, such as immigrants.
- Some benefits programs, while being required to offer services in multiple languages in printed literature, offer online access only in English. 11

The Federal Communications Commission and the states should, in collaboration with experts in the issues involved in serving low-income communities, develop best practices for offering benefits online.

We hope that these recommendations and analysis prove useful to the Joint Board and the Commission and we look forward to collaborating with you to further the goal of bringing broadband to all Americans.

Sincerely,

American Civil Liberties Union
American Association of People with Disabilities
Asian American Justice Center
Center for Community Change
National Coalition on Black Civic Participation
National Congress of American Indians
National Urban League
National Organization for Women
The Leadership Conference on Civil and Human Rights
United Church of Christ, Office of Communication, Inc.

<sup>11</sup> Digital Safety Net – Support for Low-Income Communities, Panel Discussion, The Leadership Conference on Civil and Human Rights (June 28, 2010).